# Rate Designs for Commercial EV Charging

-chargepoin+





### EV CHARGING BASICS











Level 1

Level 2

**DC** Fast

Electrical Specs

110 – 120 Volts AC 12 – 16 Amps (home appliance) 208/240 Volts AC 32 Amps (home washer/dryer, commercial standard)

208 to 480 Volts DC 70 – 125 Amps (commercial standard)

Range Per Hour of Charging

 $\sim$ 3 – 5 miles

~12 - 25 miles

100 - 200 miles +

Typical Time for Full Charge<sup>1</sup>

18+ hours

~2 - 4 hours

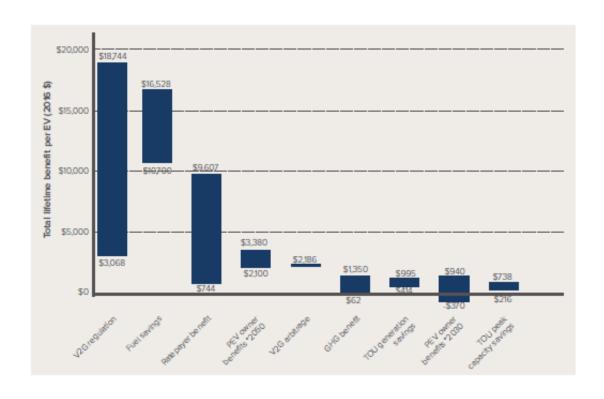
 $\sim 30 - 60 \text{ mins}$ 

Home / MUD charging; public charging at longer dwell time locations and destination centers

Public charging at shorter dwell time community locations and corridors; *near* MUDs

# RATEPAYER BENEFITS OF EVS

- Higher system utilization during off-peak hours.
- Additional electricity sales at average rates that significantly exceed marginal costs.
- Reduced rates for all ratepayers.
- Rocky Mountain Institute (RMI) estimated ratepayer savings per EV ranged from \$744 to \$9,607 over the lifetime of the vehicle.



# DEMAND CHARGES

- Electricity represents the majority of operating costs for DCFC stations.
- Absent an EV charging rate, DCFC customers take service under commercial rates that include both energy and demand components.
- Demand charges account for the majority of electric costs given low load factor of public charging stations.
- Demand charges can account for up to 90% of a station's monthly electric bill, resulting in prohibitively high operating costs and costs well above average rates.
- Demand charges also limit proliferation of medium and heavy duty applications, including trucks, school buses, and other forms of electric public transportation.

#### EV RATE PRINCIPLES

- Non-residential EV rates should be:
  - Technology agnostic and accessible to all non-residential EV customers
  - Available to new and existing stations
  - Optional
  - Consider characteristics and needs of all non-residential charging, including fleet charging.
  - Provide certainty and stability for long-term investments (e.g. 10-year terms or permanent low load factor rates)
  - Consider time-varying rates to best reflect true cost causation
  - Cost based
  - Limit monthly fixed charges, non-coincident demand, or subscription charges
  - Minimize demand charges and maximize the use of TOU volumetric rates, particularly when utilization of the charging infrastructure is low
  - Encourage early adoption and full lifecycle recovery by adjusting rates to match growing load
  - Leverage previous rates designed to industry specific load shapes (e.g. low load factor rates for agriculture, etc.)

# COMMERCIAL EV RATE EXAMPLES

Utility	Exemplar Rates
Southern California Edison	<ul> <li>TOU – EV – 8</li> <li>All volumetric TOU rates for first 5 years, with demand charges phased back in years 6-10</li> <li>TOU volumetric energy charges increased to recover costs</li> </ul>
Eversource, CT	<ul> <li>EV Rate Rider Pilot (EVRRP)</li> <li>Demand charges of the applicable commercial rates are converted to an equivalent \$/kWh charge for all kWh utilized by the DCFC customer during each billing period</li> </ul>
SDG&E, CA	<ul> <li>TOU – M (Interim Rate)</li> <li>EV charging sites can temporarily switch onto this rate with a \$2.50/kW demand charge and the 40 kW demand cap waived</li> </ul>
Dominion, VA	<ul> <li>GS – 2 (Non-Demand)</li> <li>Low usage sites (&lt;200 kWh per kW) qualify for this non-demand general service rate</li> <li>Technology neutral</li> </ul>
Madison Gas & Electric, WI	<ul> <li>Low Load Factor Provision</li> <li>Commercial customers on rate schedules Cg-4, Cg-2, or Cg-2A; annual electric load factor &lt;15%. On-Peak Demand Reduction of 50%</li> <li>Technology neutral</li> </ul>
DTE Energy, MI	<ul> <li>GS – D3</li> <li>The 1000 kW demand cap for this non-demand general service rate is waived for DCFCs through June 1, 2024</li> </ul>
Ameren, IL	<ul> <li>Rider EVCP</li> <li>10 year declining demand limiter for distribution delivery</li> <li>Off-peak provision removal</li> </ul>